

Corporate Income Tax Rates--2005-2017

Taxable income over	Not over	Tax rate
\$ 0	\$ 50,000	15%
50,000	75,000	25%
75,000	100,000	34%
100,000	335,000	39%
335,000	10,000,000	34%
10,000,000	15,000,000	35%
15,000,000	18,333,333	38%
18,333,333	35%

Personal Service Corporations

Personal service corporations are subject to a flat tax of 35% regardless of their income.

Personal Holding Company

Personal holding companies are subject to an additional tax at 20% (15% in 2012, 2011 and 2010) on any undistributed personal holding company income. (Code Sec. 541)

Accumulated Earnings Tax

In addition to the regular tax, a corporation may be liable for an additional tax at 20% (15% in 2012, 2011, 2010) on accumulated taxable income in excess of \$250,000 (\$150,000 for personal service corporations). (Code Sec. 531)

Miscellaneous Business Data

Maximum Section 179 Expense Deduction

Amount--\$500,000 from 2010 to 2016; 2017--\$510,000 (indexed for inflation beginning in 2016).

Phaseout--\$2,000,000 for 2010 to 2015; \$2,010,000 for 2016; \$2,030,000 for 2017. Indexed for inflation beginning in 2016.

Note. An increased Sec. 179 deduction is available to enterprise zone businesses and renewal community business in certain situations. In addition, an increased Sec. 179 deduction is available for certain Sec. 179 Disaster Assistance property. Check the rules in place at the time the property is placed in service. Finally, the maximum deduction for heavy sport utility vehicles and certain other vehicles is restricted to \$25,000.

Note. Expensing of qualified real property limited to \$250,000; cap to be removed beginning in 2016.